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Docket No.: K2475.0001/P001
(PATENT)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Patent Application of:
Bart Kavanaugh

Application No.: 09/986,670

Group Art Unit: 2166

Filed: November 9, 2001

Examiner: Not Yet Assigned

For: SYSTEM FOR FUNDING, ANALYZING
AND MANAGING LIFE INSURANCE
POLICIES FUNDED WITH ANNUITIES

SUBMISSION OF FORMAL DRAWINGS

Commissioner for Patents
Washington, DC 20231

Dear Sir:

Submitted herewith is one set (thirteen sheets, thirteen figures) of formal drawings for filing in the above-identified Patent application.

Kindly substitute the enclosed formal drawings for the informal drawings submitted with the originally filed application.

Dated: January 23, 2002

Respectfully submitted, *Reg #*
41,518

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for

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FIG. 1

Annuity Funded Life Insurance Cash Flow Analysis

Loan Analysis				Insurance Policy Information		Annuity Taxation Details	
Interest Rate*		LIBOR +2%		(Insurance Illustrations are included)			
Insurance							
Mass Mutual		\$425,304		\$10,000,000		63.5%	
Phoenix Life		\$362,914		\$8,000,000			
Annuity Deposit		\$12,793,431		108			
Total Loan		\$13,581,649		Total Coverage:		Tax Bracket	
						40%	

Year	Age	At Death Net				Basis Balance	Amount Taxable	Annuity Tax
		Insurance Face	To Lender	Net Insurance				
1	73	18,000,000	(13,581,649)	4,418,351		12,793,431	677,070	270,828
2	74	18,000,000	(14,281,261)	3,718,739		11,615,515	677,070	270,828
3	75	18,000,000	(14,110,424)	3,889,576		10,437,598	677,070	270,828
4	76	18,000,000	(13,927,760)	4,072,240		9,259,682	677,070	270,828
5	77	18,000,000	(13,732,450)	4,267,550		8,081,765	677,070	270,828
6	78	18,000,000	(13,523,619)	4,476,381		6,903,849	677,070	270,828
7	79	18,000,000	(13,300,332)	4,699,668		5,725,932	677,070	270,828
8	80	18,000,000	(13,061,586)	4,938,414		4,548,016	677,070	270,828
9	81	18,000,000	(12,806,312)	5,193,688		3,370,099	677,070	270,828
10	82	18,000,000	(12,533,366)	5,466,634		2,192,183	677,070	270,828
11	83	18,000,000	(12,241,525)	5,758,475		1,014,266	677,070	270,828
12	84	18,000,000	(11,929,479)	6,070,521		-	840,720	336,288
13	85	18,000,000	(11,595,832)	6,404,168		-	1,854,987	741,995
14	86	18,000,000	(11,239,086)	6,760,914		-	1,854,987	741,995
15	87	18,000,000	(10,857,643)	7,142,357		-	1,854,987	741,995
16	88	18,000,000	(10,449,793)	7,550,207		-	1,854,987	741,995
17	89	18,000,000	(10,013,709)	7,986,291		-	1,854,987	741,995
18	90	18,000,000	(9,547,434)	8,452,566		-	1,854,987	741,995
19	91	18,000,000	(9,048,881)	8,951,119		-	1,854,987	741,995
20	92	18,000,000	(8,515,813)	9,484,187		-	1,854,987	741,995
21	93	18,000,000	(8,330,046)	9,669,954		-	1,854,987	741,995

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FIG. 2

[illegible]

Embodiment One

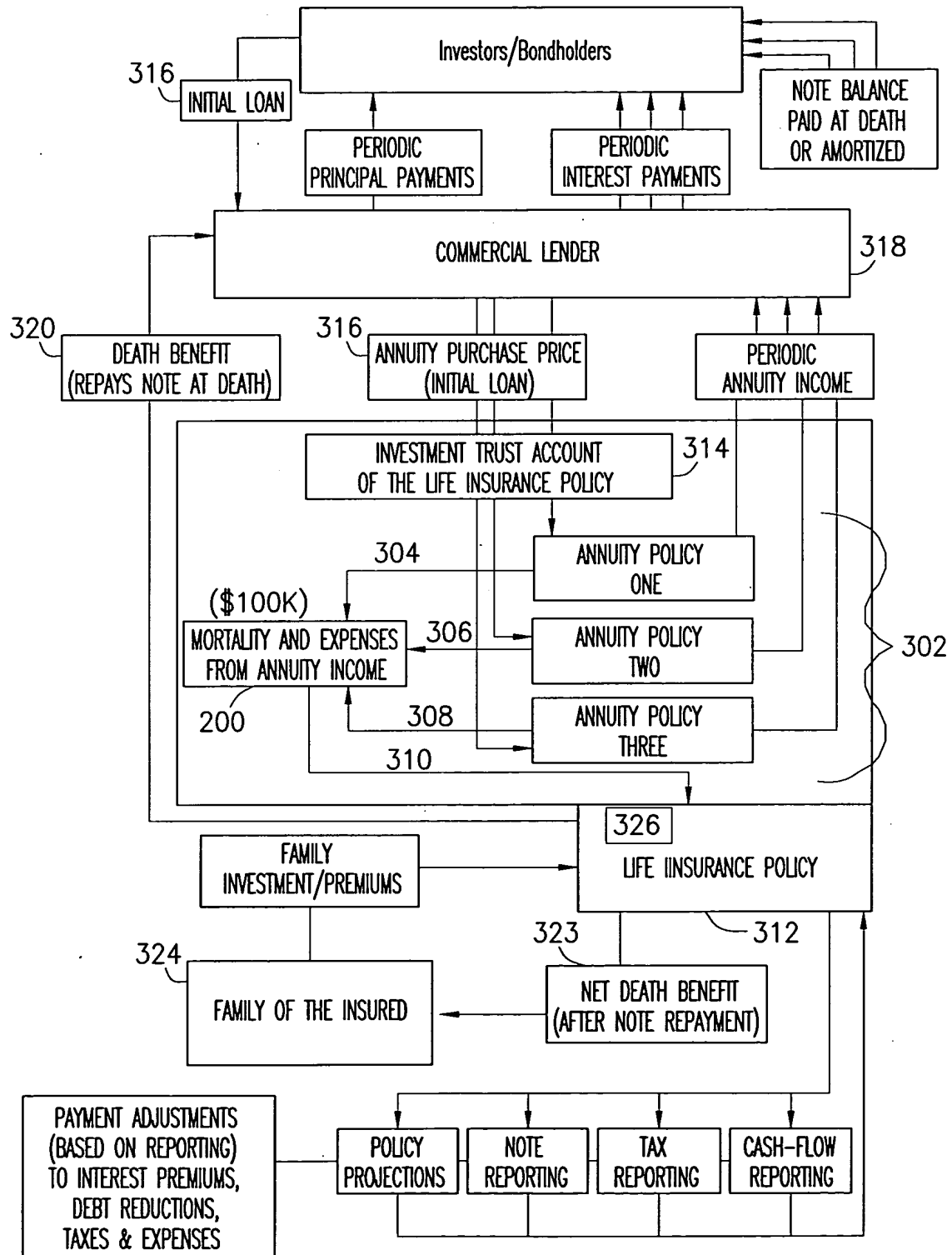


FIG. 3

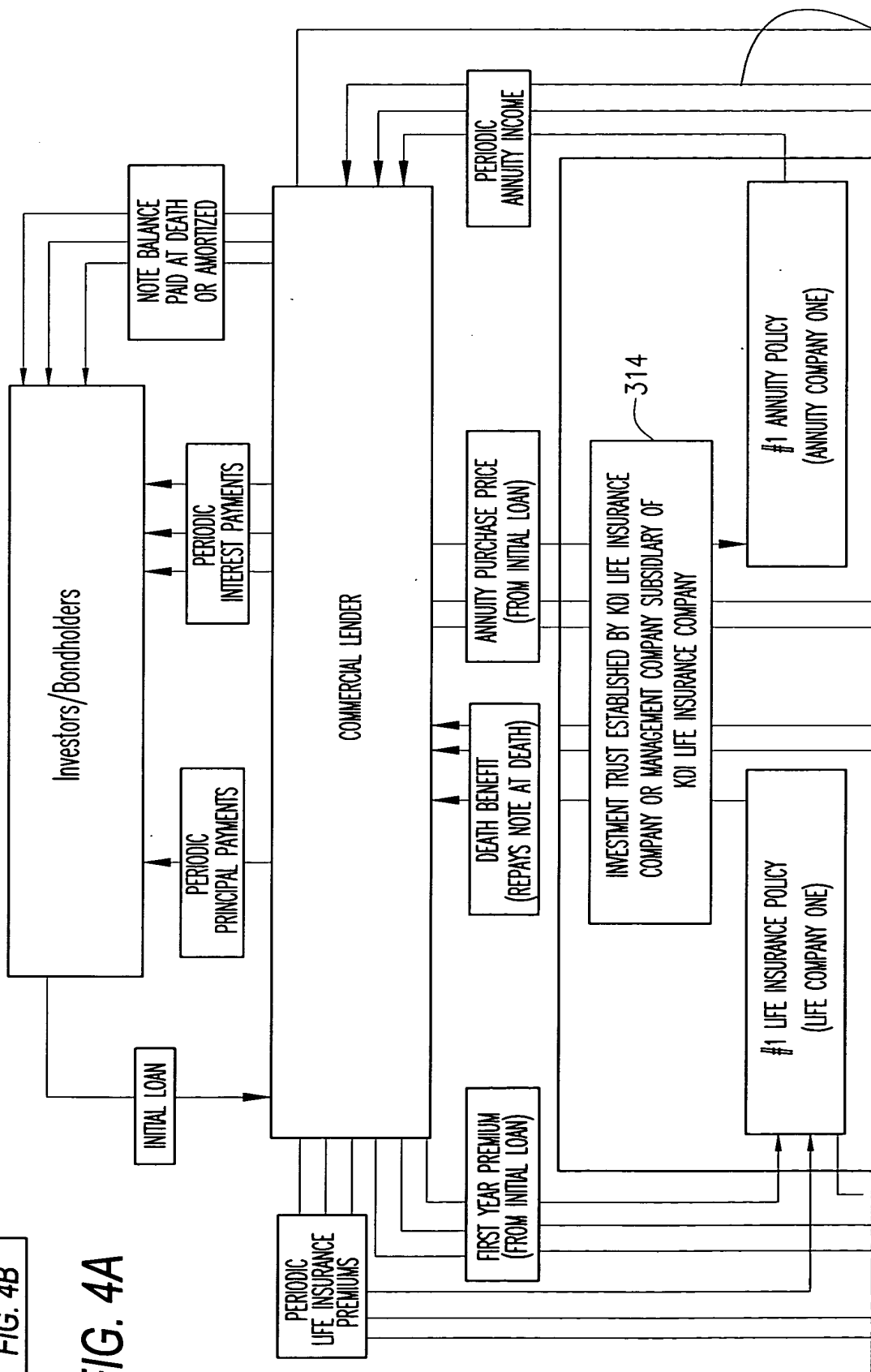
Embodiment Two

FIG. 4

FIG. 4A

FIG. 4B

FIG. 4A



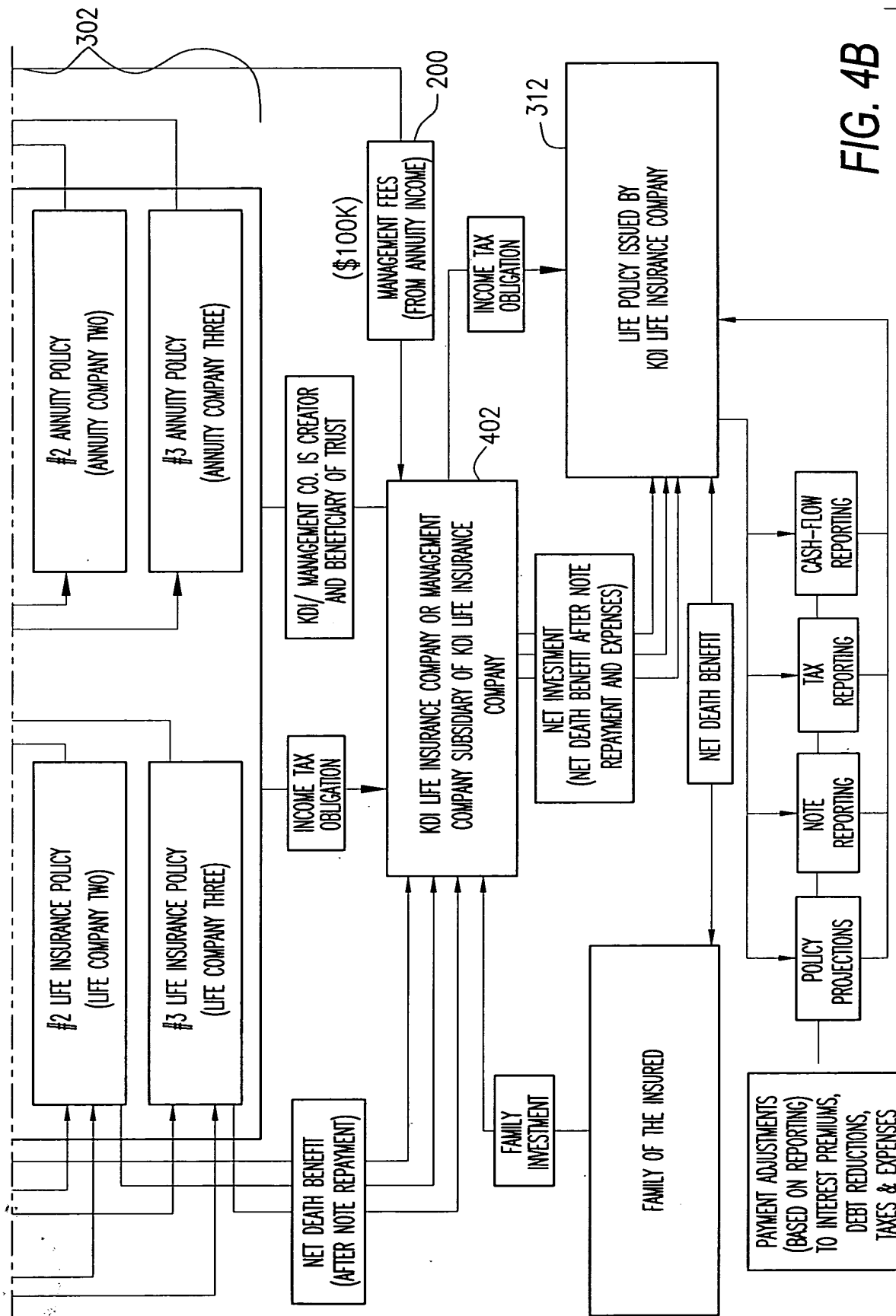


FIG. 4B

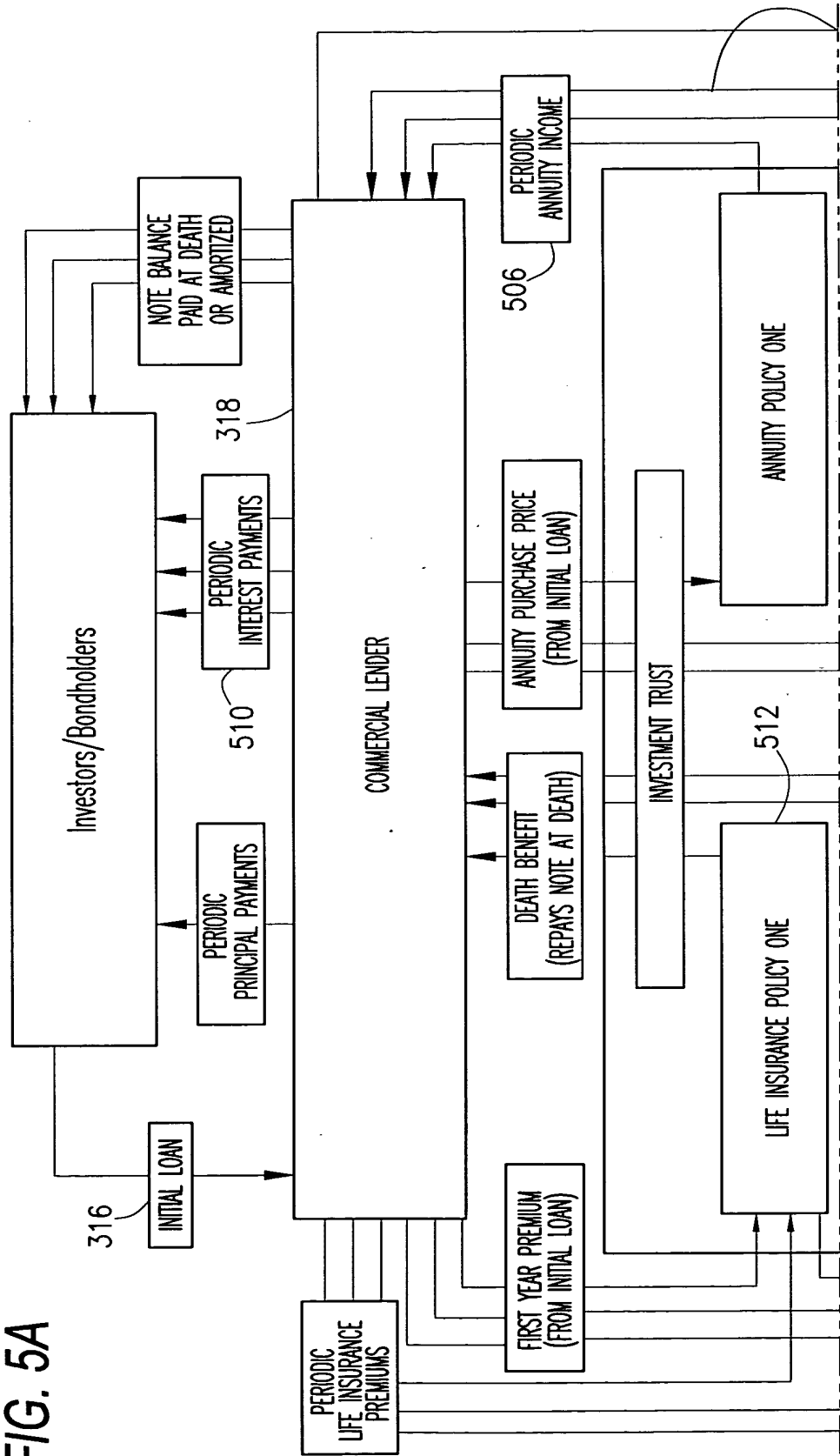
Embodiment Three

FIG. 53

FIG. 5A

FIG. 5B

FIG. 5A



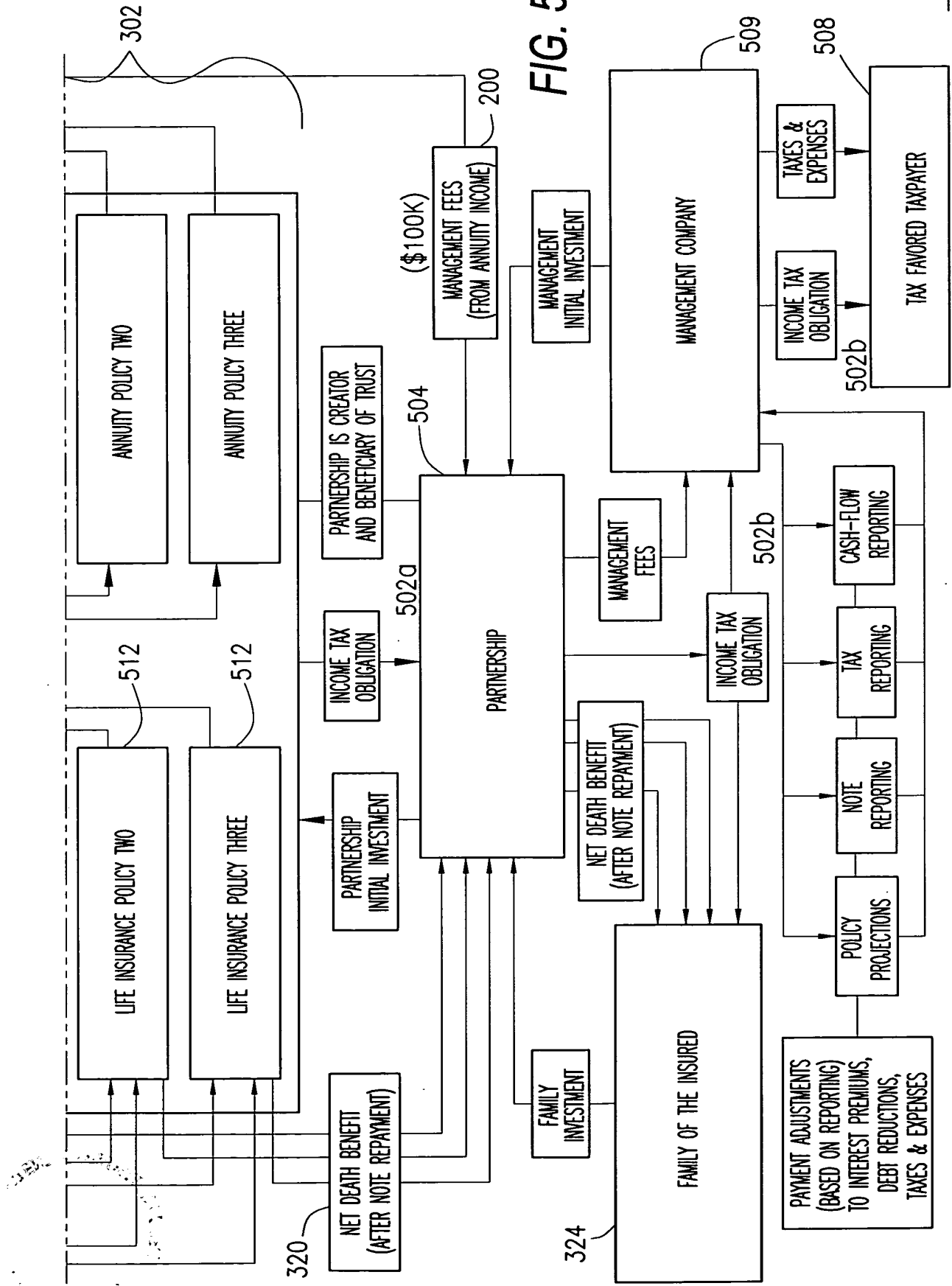


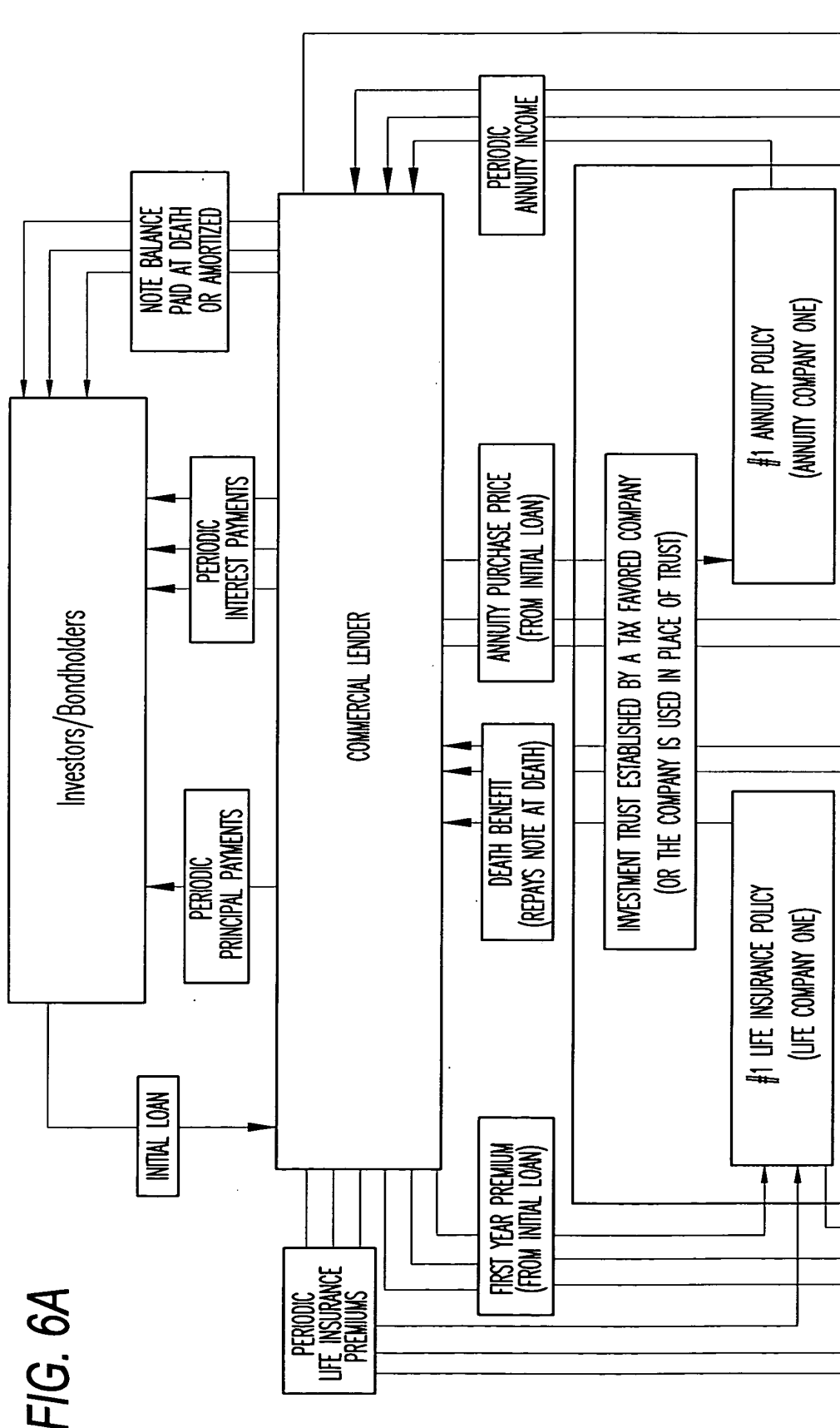
FIG. 6

FIG. 6A

FIG. 6B

FIG. 6A

Embodiment Four



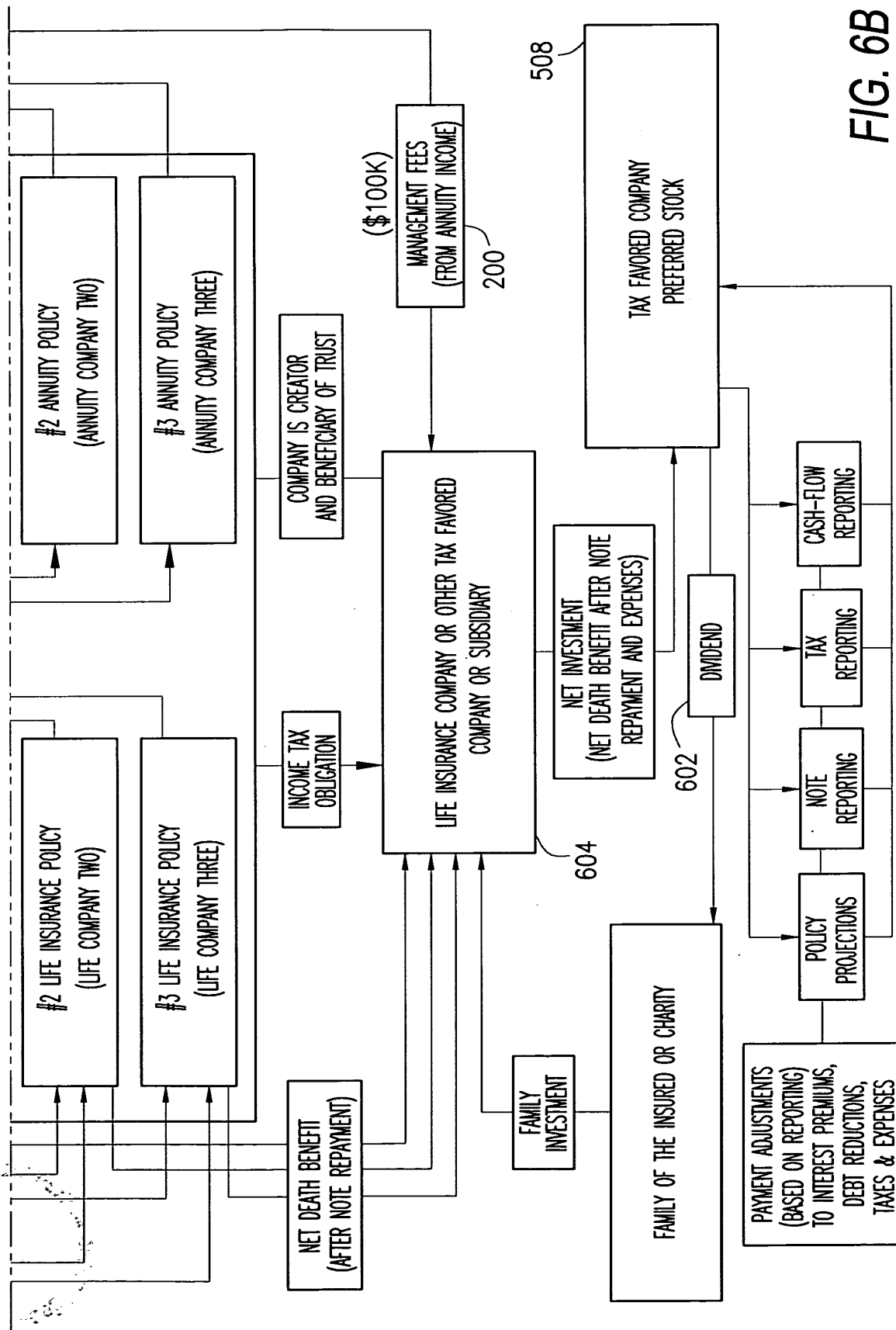
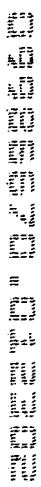



FIG. 6B



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Charitable Endowment Policy

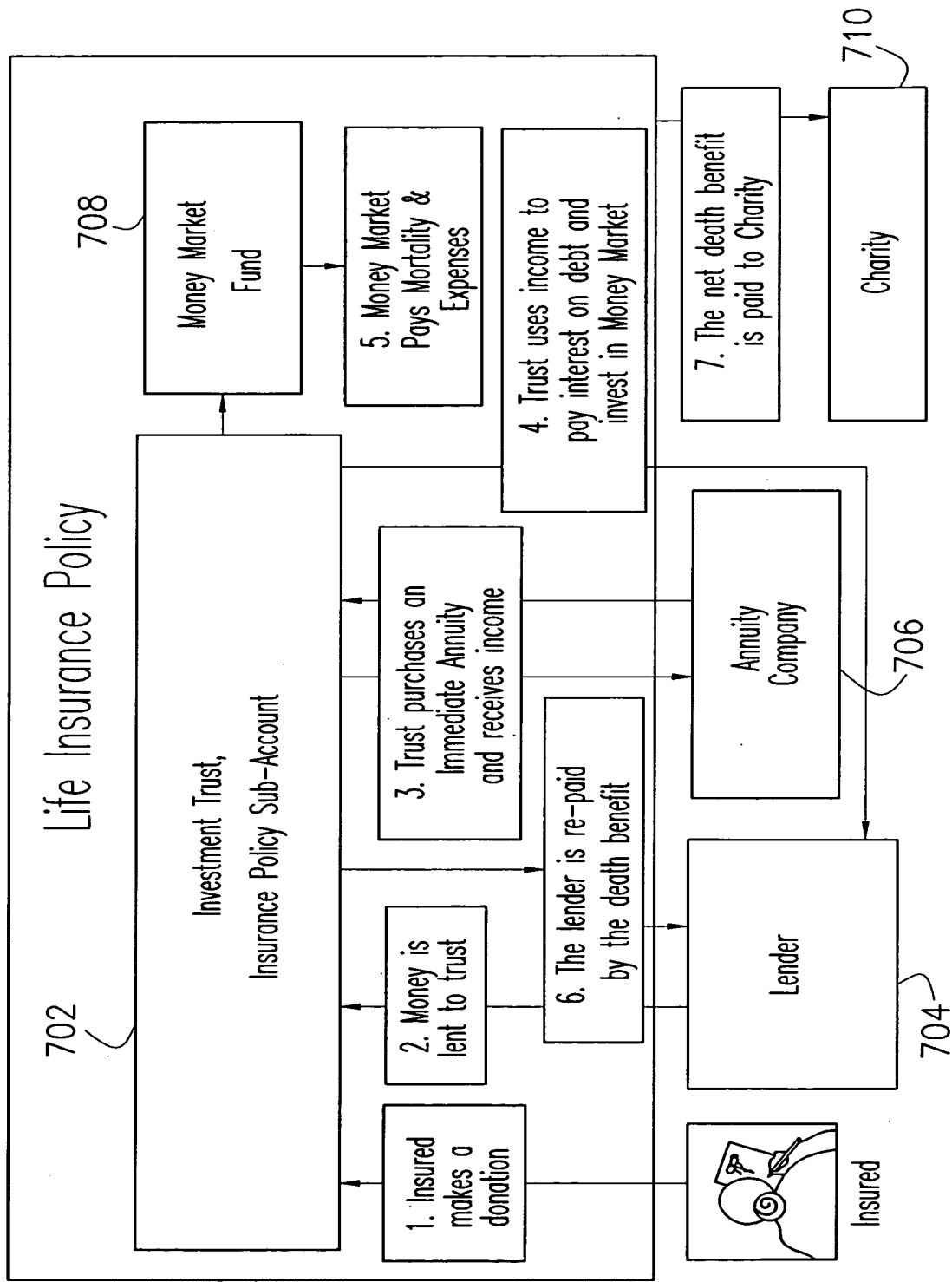


FIG. 8

FIG. 9

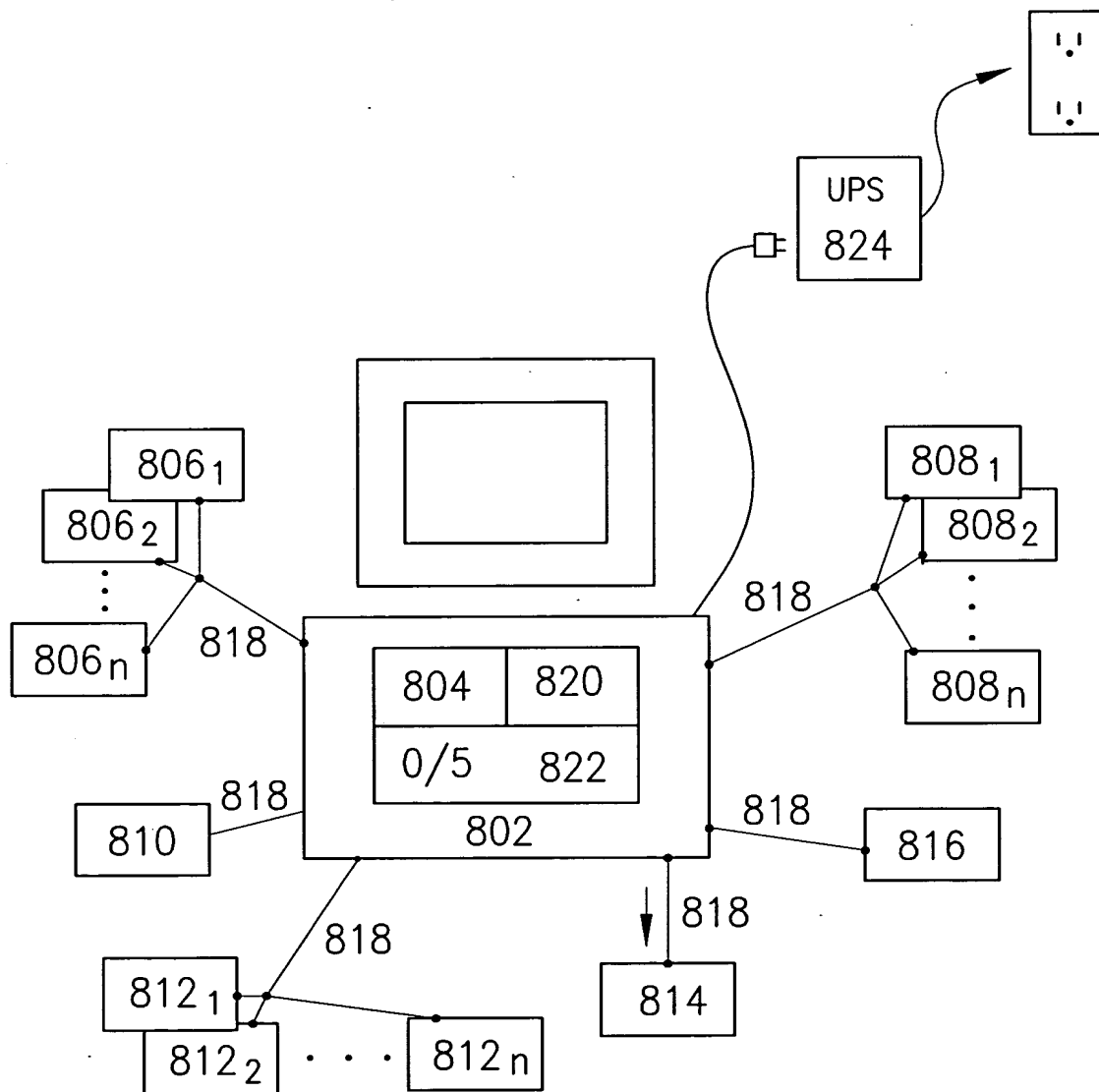


FIG. 10

